

Treasury Department,

Bureau of the Mint,

Washington, D. C., May 17, 1899.

Mr. M. L. Keizer,

Baker City, Oregon.

Sir:

Replying to your letter of May 6th, addressed to the Secretary of the Treasury, I would say that prior to 1873, the Government did not purchase silver except for subsidiary coins. The coinage of silver dollars was free and unlimited, the bullion deposited by the private owner being coined and returned to him.

I send you a copy of the Mint report for 1898, which contains a table, beginning on page 300, showing the coinage of the Mints by denominations since 1792. By this, you will notice that the coinage of silver dollars up to 1873 was small, aggregating but little over \$8,000,000 in the whole period.

For something like 40 years prior to 1873, the bullion value of a silver dollar was greater than its face value, and this explains why so little silver was deposited for coinage. Experience had taught that a concurrent circulation of both metals could not be had and it was for this reason that in the revision of the Coinage Laws, made by the Act of 1873, the silver dollar was dropped and gold made the single standard of value.

I send you under another cover a pamphlet giving a documentary history of the Act of 1873, which shows the Bill as originally

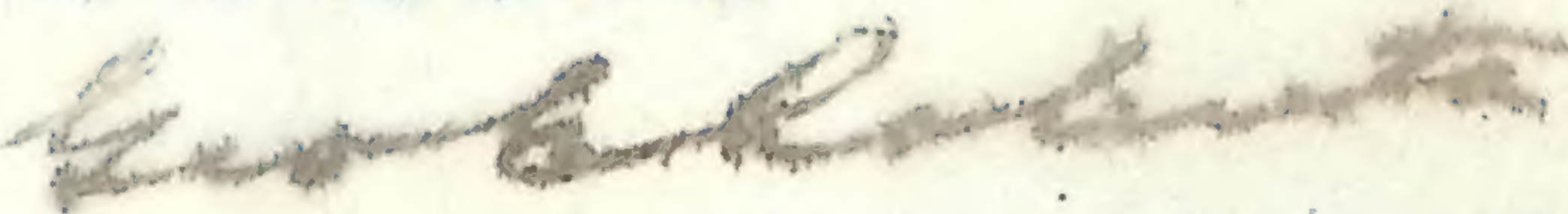
-2-

drawn up by John J. Knox, some three years before it finally passed. It was sent out in this form to experts and parties interested in the subject and comments invited. The letters received are printed in this document.

You will notice that on page 10 of this pamphlet, Mr. Knox refers specifically to the proposed discontinuance of the silver dollar as a standard coin.

Replying to your inquiry as to how the gold coinage of 1893 could exceed the total product of gold in this country in that year, I would say that there were imports of foreign gold in that year to the amount of \$21,000,000, and also recoinages amounting to a considerable sum.

Very truly yours,



Director of the Mint.

Treasury Department,
Bureau of the Mint,
Washington, D.C.,

May 17, 1899.

Mr. M. L. Keizur,
Baker City, Oregon.

Sir:

Replying to your letter of May 6th, addressed to the Secretary of the Treasury, I would say that prior to 1873, the Government did not purchase silver except for subsidiary coins. The coinage of silver dollars was free and unlimited, the bullion deposited by the private owner being coined and returned to him.

I send you a copy of the Mint report for 1898, which contains a table, beginning on page 300, showing the coinage of the Mints by denominations since 1792. By this, you will notice that the coinage of silver dollars up to 1873 was small, aggregating but little over \$8,000,000 in the whole period.

For something like 40 years prior to 1873, the bullion value of a silver dollar was greater than its face value, and this explains why so little silver was deposited for coinage. Experience had taught that a concurrent circulation of both metals could not be had and it was for this reason that in the revision of the coinage laws, made by the Act of 1873, the silver dollar was dropped and gold made the single standard of value.

I send you under another cover a pamphlet giving a documentary history of the Act of 1873, which shows the Bill as originally drawn up by John J. Knox, some three years before it finally passed. It was sent out in this form to experts and parties interested in the subject and comments invited. The letters received are printed in this document.

You will notice that on page 10 of this pamphlet, Mr. Knox refers specifically to the proposed discontinuance of the silver dollar as a standard coin.

Replying to your inquiry as to how the gold coinage of 1895 could exceed the total product of gold in this country in that year, I would say that there were imports of foreign gold in that year to the amount of \$21,000,000, and also recoinages amounting to a considerable sum.

Very truly yours,
[Signature] George E. Roberts
Director of the Mint.